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AMERICAN FEDERATION OF LABOR

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WHOLE NO. 847. WASHINGTON, D. C., SATURDAY, JULY 2, 1927. VOL. 17, NO. 16.

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The paternalism of employers is shaky and trade union predictions are being verified.

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The company "union" is discredited. The public is no longer fooled by this boss controlled machinery.

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The court holds that employers cannot be the sole judge in a dispute with employes over profit-sharing. This decision gives the workers a voice. The fear of litigation will cause less discussion on the value of a scheme that is intended to hold workers to their task on a promise of dividing profits that scientific bookkeeping fails to conceal.

Employers' old-age pension systems are also under fire.

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The Morris employes refused to aid in raising wages. For many years they were confident that that corporation would aid them in old age. The plant was taken over by the Armour Packing Corporation and the pension was abolished. The employes failed to secure relief in the courts, and their experience is an object lesson to other trustful nonunionists.

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The commission reports that of the approximately 400 plans in industrial establishments of this country, practically all of them are financially unsound. No provision is made for meeting obligations that will increase as the number of aged workers increases.

This means ultimate repudiation or selling out, as did the Morris concern. In either event, the worker is thrown on the street in his declining years.

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"The plans in general amount to little more than a promise that if everything goes right, and you do nothing wrong all your life and stay with us till you get old, and if, when the time comes, we can afford to do it and still think you are deserving, we may grant you a pension such as we shall then think proper."

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This proposal is an abandonment of the theory that employers "run their own business," and that they should depend upon private initiative.

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A textile czar is now suggested by employers in this industry. It is proposed that spinners and fabric manufacturers agree to base prices for next season on 60 to 70 per cent operation of their plants, plus a stated profit.

These business men realize that production outstrips consumption and that unrestricted competition must be checked. While they are calling on workers to produce more, and resist every attempt to lessen hours, they are discussing plans to put their business in the hands of an autocrat who will limit their production that prices may be upheld.

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This decision by the Massachusetts State Supreme Court may have a far-reaching effect on profit-sharing systems maintained by employers.

The decision was made in the case of the Babson Statistical Organization versus a woman employe who was discharged three years ago. If she remained an employe until the end of the year she would have qualified to share in the profits of that year. She sued for profits due her, and as a defense the company set up this clause in the profit-sharing plan: "If any question arises as to the interpretation or application of any feature of the plan the decision of the president shall be final."

To bring that issue before the State Supreme Court, the Babson Organization accepted a verdict for the plaintiff and then appealed.

The Supreme Court held that if arbitration methods are provided between the two parties, such arbitration must be based on equality.

"The defendant's president, it may be reasonably inferred, was vitally interested in the decision of the question involved," said the court. "It could have been found that he was prejudiced against the allowance of the plaintiff's claim and could not act disinterestedly; that he was not in a position to render a fair and impartial decision. In the interest of manifest justice the plaintiff was not bound by such an arbitration."

An important point in the decision is that where an employe does not resign, but is discharged before the end of the profit-sharing period, such employe does not "leave the employ" in the sense that it disqualifies him to share in the profits up to the point of discharge.

ANTI-TRADE UNION BILL PASSED BY BRITISH HOUSE OF COMMONS

London, England, July 2.—The government's anti-trade union bill passed its final reading in the House of Commons. The vote was 354 to 189. The result was expected because of the government's overwhelming majority. The bill will now go to the House of Lords.

Bitter opposition by labor in the House marked closing debate on the bill. For record purposes the workers fought every inch of the way and refused to be lured by amendments that were intended to soften sweeping denials of their rights.

The bill annuls every right trade unionists have secured during the last century.

A judge or magistrate can declare a strike illegal on the ground that it is "intended" to coerce a community or the government, and unions may be sued for damages and compensation if they expel a member for "blackleging" in such a strike.

Political action is hampered by compelling every worker to specifically notify in a letter mailed in the post-office that he desires to make monthly contributions to the workers' political movement. This "contracting in" will force more than 4,000,000 wage workers to make this declaration. Under the present law any worker who is not inclined to contribute may so notify the government. This "contracting out" has been taken advantage of annually by less than 100,000 workers.

Under the new law civil service employes are debarred from affiliation with the British Trades Union Congress or other legitimate labor organizations. The government defends this section on the ground that postal and other civil employes are eligible to join a general strike, but it has been shown that the only time postal employes have taken such action is when they were not affiliated with the trade union movement.

The passage of the bill will have a political and social effect on England. Workers are holding mass meetings in every section of the country and have established a system of house-to-house canvassing against the government.

The bill has solidified labor's ranks for the next general election in 1929, and it may prove a formidable obstacle to peaceful settlements of disputes in the industrial field. James H. Thomas, secretary of the National Railway Men's Union and a member of the Labor party, indicated this policy when he declared in the House of Commons that he would refuse to cooperate in conciliation measures as long as this "statutory incitement to friction" continued.

LABOR INJUNCTION CAN BE DEFEATED

The Appellate Division in New York City has joined the Court of Appeals—the highest tribunal in that State—in urging that labor injunctions should not be issued indiscriminately.

"The interference of a court of equity in labor disputes directed either against employer or laborer, should be exercised sparingly and with caution," said the Appellate Division's decision.

The views of these two courts are an acknowledgment that trade union agitation against the labor injunction is bearing fruit.

It is too much to expect that courts will frankly state that this process is wrong. It is more likely that the labor injunction will fall into disuse, just in proportion as labor maintains an uncompromising agitation against it.

As the public understands the unfairness of the labor injunction, courts will respond to the new viewpoint. Eventually, some high court justice may bravely announce that the injunction process is only intended to apply where the plaintiff has no other remedy at law and that this writ must never interfere with personal relations.

"RIGHT TO WORK" NOT PROPERTY

Any property right is derived from ownership or right of use.

If the right to labor is property, then human labor must be an article, a commodity; that is, some inanimate thing, something that can be bought and sold. This involves more than a mere legal question, but the legal aspect of the question is based upon physical facts, and upon the method of reasoning by which the conclusion is educed.

Among thinking men it has never been held that work is purely manual labor. The work of the humblest, however mechanical, involves something of mentality. In all kinds of work the mental and the physical elements are differentials; sometimes the manual predominates, sometimes the mental, but in no kind of work is either wholly absent.

Work, whether termed mental or manual, is the expression of the creative ability of the individual; it is power to create, whether an idea, a fact, or a piece of furniture; in all, it is the human attribute.

There is no manner of human labor that is a thing apart from the body and the mind of the human being. Commodities and articles of commerce are the products of human labor exerted upon materials.

There is as great a difference between human labor and articles and commodities as between that wonderful thing we call life and the materials that have neither thought nor vision, and the power of life is the power that has a right to dictate control over the use of labor power.

But the classification of labor power as property is necessary to the issuance of a writ of injunction to regulate that labor power.—A. F. of L. convention declaration.

PUBLIC PAYS PRICE TO GET "EDUCATED"

New York, July 2.—Since 1919 it has cost this city $212,954.19 to maintain Ivy Lee as publicity agent for the Interborough Rapid Transit Company.

An investigation by the Transit Commission reveals that most of this money was spent on propaganda for increased fares.

Mr. Lee's salary ranged from $6,000 to $12,000 a year. Other expenses were connected with his work as "publicity adviser."

Mr. Lee first came into prominence during the 1913 strike of coal miners against the Colorado Coal and Iron Company. He was publicity agent for the Rockefeller-owned railroad at the time and was "loaned" to the Rockefeller corporation to mold a public opinion against the miners.

Pamphlets were prepared in Lee's office in Philadelphia, signed by officials of the Colorado company and then shipped in bulk to Denver where they were mailed to public officials, editors, clergymen, school teachers and professional and business men whose names appeared on Mr. Lee's carefully prepared mailing lists.

An investigation by the United States Commission on Industrial Relations found that the bulletins contained many false statements. Salaries paid to officials of the United Mine Workers in Colorado for the year ending November, 1913, were displayed as salaries for the nine weeks ending in that month.

Colorado was flooded with these pamphlets as part of a "union educational campaign."

PRIMARY LAW UPHELD; OLD SYSTEM SCORED

Washington, July 2.—A defense of the direct primary and an attack on Vice President Dawes' proposal that the convention system be re-established are made by former United States Senator Owen in a public statement.

"The convention system has been discredited and abandoned in almost every State in the Union," said Senator Owen. "It would seem obvious to almost any student of theoretical or practical politics that Mr. Dawes' remedy is far worse than the disease he contemplates. Our course lies forward, not backward.

"After experimenting with the convention system for more than three-quarters of a century, the American people rejected it for the simple reason that it offered too great opportunity for the political rascals to whom Mr. Dawes has referred in his article to work their trade.

"Our experience with the direct primary is relatively short and we must not forget that the major part of this experience has had under the tremendous excitement and disturbance of a World War and its aftermath, which drew men's attention from domestic affairs.

"The judgment of the people upon the convention method was rendered after three generations of experience. They found the system had been corrupted by intrigue and bribery; that by buying votes, by trading votes, by promising offices and future advantages, and by other secret and devious methods, an organized and unscrupulous few could easily and cheaply control nominating conventions and frequently unsuspecting convention delegates, with the result that the general public was cheated out of its right to select representatives who would serve the common welfare."

RATES CAN'T BE BASED ON INFLATED VALUES

Boston, July 2.—The State Public Utilities Commission has again ruled that public utility corporations cannot arbitrarily raise values of their property as an excuse for increasing rates.

Companies inflate values by including possible earnings or what is known as "the going value."

The latest decision was made in the case of the Worcester Electric Light Company, which has an actual investment by stockholders of approximately $4,000,000. The local tax assessment is $4,500,000, and the company placed a value of $6,000,000 on the property in its report to the commission. Yet the company claimed it was entitled to a fair return on a valuation of $17,500,000 on the ground that this would be the reproduction cost today and should include "the going value."

The commission rejected the claim and ruled that the company is only entitled to a fair return on money actually invested.

The Massachusetts decision differs from several courts, which have invariably held that public utilities are entitled to a return based on reproducing the property and an allowance for "the going value."

COMPANY SHUTS OFF WATER FROM MINERS

Pittsburgh, July 2.—Blocked by court procedure in an effort to oust union miners from company houses, the Pittsburgh Terminal Coal Corporation has cut off the water supply of several company towns.

Horace F. Baker, president of the company, said this action will "merely" force the miners to carry water a quarter of a mile, more or less. Commenting on the claim that the company's action may cause an epidemic, Baker said: "Let the miners boil the water."

The corporation has stopped the delivery of goods to mining towns in an effort to drive union miners out of company houses. The miners have a test case before the State Supreme Court. A decision will not be made for several months.

The company recently abrogated its agreement with the United Mine Workers and is attempting to operate on the anti-union basis.

WAGE SLASH LOOMS IN NON-UNION FIELD

Charleston, W. Va., July 2.—Another wage reduction is probable in the non-union coal fields of Southern West Virginia.

Present rates are 50 per cent lower than in the union fields. The coal owners claim wages must be lowered to equalize costs since the Interstate Commerce Commission has taken from them the preferential freight rate of seven cents a ton to lake ports.

The coal owners are confident that their special police, guards, newspapers and injunctions will soon defeat their employes' attempt to affiliate with the United Mine Workers.

CARMEN'S NEW HOME

Kansas City, Mo., July 2.—The Southwestern Railway carmen have moved into their new four-story brick and terra cotta building, which has been arranged for the organization that totals more than 200,000 members.

The structure is modern in every sense, and is "somewhat of a change," according to President Martin F. Ryan, from the days long ago when one small room and a desk were sufficient to handle the business and house the records.

EXTRA LABOR IN OREGON

Salem, Ore., July 2.—There is a surplus of labor in this State, the Seasonal Employment Commission reports. The number of unskilled workers is especially large, and demand for employes in the fruit section are easily filled.

PHOTO ENGRAVERS OUT

Portland, Ore., July 2.—Photo engravers employed on three daily newspapers suspended work to enforce a new wage scale. The newspapers are the Oregonian, Journal and Telegram.

PRISON LABOR BILL LOST

Springfield, Ill., July 2.—The House of Representatives rejected a bill that provides for the labeling of prison-made goods.

TEAPOT DOME WITNESS HAS PASSPORT LIFTED

Washington, July 2.—The government has revoked Harry M. Blackmer's passport. He is former chairman of the Mid-West Refining Company and left the United States when cited as a witness by the government in the trial of former Secretary of the Interior Fall and Harry F. Sinclair on charges of defrauding the United States Government in the Teapot Dome oil lease.

With the loss of his passport, Blackmer is deprived of protection that is thrown around American travelers in foreign countries. He cannot depend upon the State Department or any representative in the foreign service to aid him in crossing European boundaries.

If Blackmer returns to this country he is liable to a fine of $100,000, under a law passed by the last Congress. Blackmer and James E. O'Neil, former president of the Prairie Oil Company, fled to France about the time of the Teapot Dome trial at Cheyenne and have been there ever since, so far as known. All attempts to get them back to this country have failed. They cannot be extradited, as their offense is not criminal.

STREET CAR MAGNATE TRIES TO BE FUNNY

Toledo, Ohio, July 2.—General Manager Johnson of the local street car company is attempting to be funny.

Street car employes want wage increases and ask that the arbitration clause of their contract be enforced. Mr. Johnson declines. He fears the arbitrators will decide against the men. These judges, he says, may possibly reduce wages. The unionists declare that the manager must abandon his cheap comedy.

RAIL WORKERS LOSE HIGHER WAGE DEMAND

Chicago, July 2.—An arbitration board has denied wage increases to conductors and trainmen on 55 Western railroads. Yardmen are advanced 7½ per cent. All asked for an average increase of $1 a day.

The board operated under the new Federal railway act. Both parties appointed representatives as arbitrators and the Federal Railway Mediation Board named neutral members.

The workers' representatives contend that the majority of the board was influenced by the railroads' claim that increases were out of the question because of agricultural depression. The railroads took a different position when they recently petitioned the Interstate Commerce Commission for freight increases. The decision means that western workers will be paid 7½ per cent less than eastern workers doing the same class of work.

The decision follows a defeat by locomotive firemen in the southeastern territory who asked for wage increases. In that case Vice President Goff of the firemen, who represented these workers, said that an uninformed public opinion affects the judgment of arbitrators.

In the western wage movement, employers' associations aided the railroads in developing a public opinion against wage increases.

The decision is not unexpected to the railroads is shown by the financial policy of many of the railroads. Since last March they have been setting aside to operating expenses allowances for the anticipated wage increases. These moneys will be refunded to earnings and divided among stockholders.

SACCO-VANZETTI PLEA SIGNED BY THOUSANDS

Boston, July 2.—Signed by half a million persons, a petition against the execution of Sacco and Vanzetti has been presented to Governor Fuller. The petitioners include men and women in every walk of life who express their belief that the accused have not had a fair trial.

NEWSPAPERS SUSPEND

Butte, Mont., July 2.—Butte and Anaconda newspapers suspended publication because of a wage dispute between printers and the Anaconda Standard. The Butte Post and the Butte Miner joined with the former newspaper when printers on that publication announced that they would strike.

RABBIS PLAN FIGHT FOR SOCIAL JUSTICE

Cape May, N. J., July 2.—Vigorous opposition to social injustice in every form was planned by the Central Conference of American Rabbis in session here.

"We feel that the time has come for our conference to face the serious and pressing problems of its obligation in the field of social justice," read the commission's report. "It is our conviction that the conference has committed itself with too limited a program of activities in this direction, and, furthermore, that these activities have been of too general and theoretical a character. It is high time that we envisaged more comprehensively our large solemn obligation in this field of labor in the light of the ever-growing industrialization of modern life, the spread of imperialism; of the rise of the tides of race and color, and of the undiminished dangers from militarism."

"PICTURE" SALARIES REDUCED 10 PER CENT

New York, July 2.—The Paramount-Famous-Laskey Corporation, moving picture producers, announce a salary reduction of 10 to 25 per cent. The cut will affect the high-priced stars and actors who receive $50 a week or more.

The motion picture branch of the Actors' Equity Association, affiliated to the A. F. of L., opposes the reduction.

Unionized motion picture actors do not include stars. They are associated with the "Academy of Motion Picture Arts and Sciences," a company union.

The Paramount Corporation claims expenses must be lowered. During the last two years the corporation sold $30,000,000 new stock. Present income can not meet these additional charges.

OPPOSE CHILD LABOR BILL

Springfield, Ill., July 2.—The House of Representatives defeated a bill that would compel children under 16 years of age to pass the eighth grade in school before they could receive a work certificate.

CULINARY WORKERS GAIN

Sacramento, Cal., July 2.—Restaurant managers are signing the new agreement of organized culinary workers.

JANITORS TALK UNITY

Vancouver, B. C., July 2.—A 12-hour day and seven days a week is too much for janitors of apartments in this city and they are discussing trade unionism.

NATIONAL WAR WHOOP IS IGNORED IN STRIKE

Vancouver, B. C., July 2.—Anti-union interests have abandoned their cry "Canada for Canadians" and are importing strikebreakers from the United States to defeat the Plumbers' Union.

"Patriotic" city officials are aiding the employers by permitting evasions of city building ordinances and the plumbers' license law. A rigid enforcement of the latter would debar strikebreakers.

Trade unionists who are affiliated to the American Federation of Labor through their international unions are rallying attention to the indecency of employers who advise workers to maintain Canadian trade unions and to have no direct relations with the country to the south.

TOO MANY IMMIGRANTS IN CANADIAN CITIES

Edmonton, Alberta, Canada, July 2.—The Trades and Labor Council has protested to the Dominion Minister of Immigration against dumping Central European immigrants into Alberta cities.

The immigrants came here with the understanding that the colonization areas qualified for work and that many of them cannot speak English. They are herded in municipalities of the provinces, are a tax on communities and a menace to living standards of other unskilled workers.

TRADE UNIONS TO MEET

Parkersburg, W. Va., July 2.—Officers of the West Virginia Federation of Labor have issued the call for the annual convention to be held in this city beginning Monday, August 22.

SERVICE WORKERS UNITE

Kansas City, Mo., July 2.—Building service employes in this city have organized and united with the trade union movement.

$1,000,000 INCOMES RISE FROM 75 TO 207

Washington, July 2.—The Internal Revenue Bureau reports that there are 207 persons in this country who paid taxes in 1925 on an income of $1,000,000 or more.

In the previous year there were but 75 persons in the million-dollar class.

These large incomes and the fact that the gross income earned by corporations in 1925 reached the huge total of $113,-692,083,216, feature the latest statistics.

APARTMENTS IN SLUMS EXEMPT FROM TAXATION

New York, July 2.—Mayor Walker has signed a bill which exempts for 20 years taxation on tenement buildings constructed under the terms of the State Housing Law as substitutes for existing dilapidated structures.

The bill is part of the move to eliminate slums. It is believed that capital will be invested in these new buildings and lower rentals assured if taxes are removed.

The Mayor has appealed to Mayor Walker to reject the bill on the ground that taxes of other property will be increased.

NEW EDUCATION BUREAU

Washington, July 2.—The United States Bureau of Education announces the appointment of a specialist in teacher training. This is the first time the bureau has undertaken a systematic study of the training of teachers in normal schools, colleges and universities.

LIGHTING BILL KILLED

Springfield, Ill., July 2.—It will not be necessary for railroads to install adequate lighting systems in their freight yards. A bill to this effect failed to pass the House of Representatives.

WORKERS' HOMES SOLD; LOW WAGES ONE CAUSE

Philadelphia, July 2.—Low wages is a factor in the increasing number of homes in this city that are sold under mortgage foreclosure, according to H. E. Barnes, secretary of the Wharton School of Business Administration.

Glib salesmen dispose of homes on small margin. Many purchasers are unable to meet the carrying charges. These forced sales have grown in number from 675 in 1920 to 2,052 in 1925 and more than 4,000 in 1926.

"The trend of home building in all the large cities," said Mr. Barnes, "is toward apartment houses. Of all the families provided with new living accommodations in May, 1927, 24 per cent were in apartment houses and 58 in single residences. In our larger cities almost one-half of the new housing under construction are apartments."

DEFEAT COMPENSATION

Tallahassee, July 2.—The Florida Legislature adjourned without taking action on a workmen's compensation bill urged by organized labor. The bill was opposed by the turpentine, lumber and phosphate interests and the Employers' Association.

"Organized labor will continue to urge this measure, as workmen's compensation is somewhat new to the Southern South," said J. M. Adkins, president of the Florida State Federation of Labor.

CLOAK MAKERS ORGANIZE

Portland, Ore., July 2.—Cloak makers in this city have organized under charter by the International Ladies' Garment Workers' Union.

PEACE COUNCIL USED TO AID NON-UNIONISTS

London, England, July 2.—The government has launched another attack on trade unionism by providing that Whitley councils shall be set up in government dock yards for non-union workers.

Whitley councils are named after Mr. James H. Whitley, chairman of a government committee that met committees during the World War. These councils were set up to provide machinery to deal with matters that would arise (subject to definite rules) concerning wages and conditions. The councils were intended to be supplemental to trade unionism. They have jurisdiction over single shops or plants.

The government claims that nonunionists are demanding their own councils, and has notified these workers that such arrangements can be made.

Trade unionists believe the plan is an attempt to establish non-union councils as spokesman for all workers in these plants.

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Bitter opposition by labor in the House marked closing debate on the bill. For record purposes the workers fought every inch of the way and refused to be lured by amendments that were intended to soften sweeping denials of their rights.

The bill annuls every right trade unionists have secured during the last century.

A judge or magistrate can declare a strike illegal on the ground that it is "intended" to coerce a community or the government, and unions may be sued for damages and compensation if they expel a member for "blacklegging" in such a strike.

Political action is hampered by compelling every worker to specifically notify in a letter mailed in the post office that he desires to make monthly contributions to the workers' political movement. This "contracting in" will force more than 4,000,000 wage workers to make this declaration. Under the present law any worker who is not outlined to contribute may so notify the government. This "contracting out" has been taken advantage of annually by less than 30,000 workers.

Under the new law civil service employes are debarred from affiliation with the British Trades Union Congress or other legitimate labor organizations. The government defends this section on the ground that postal and other civil employes are liable to join a general strike, but it has been shown that the only time postal employes have taken such action is when they were not affiliated with the trade union movement.

The passage of the bill will have a political and social effect on England. Workers are holding mass meetings in every section of the country and have established a system of house-to-house canvassing against the government.

The bill has solidified labor's ranks for the next general election in 1929, and it may prove a hindrance to the peaceful settlements of disputes in the industrial field. James H. Thomas, secretary of the National Railway Men's Union and a member of the Labor party, indicated this policy when he declared in the House of Commons that he would refuse to cooperate in conciliation measures as long as this "statutory incitement to friction" continued.

LABOR INJUNCTION CAN BE DEFEATED

The Appellate Division in New York City has joined the Court of Appeals—the highest tribunal in that State—in urging that labor injunctions should not be issued indiscriminately.

"The interference of a court of equity in labor disputes directed either against employer or laborer, should be exercised sparingly and with caution," said the Appellate Division's decision.

The views of these two courts are an amendment that trade union agitation against the labor injunction is bearing fruit.

It is too much to expect that courts will frankly state that this process is wrong. It is more likely that the labor injunction will fall into disuse, just in proportion as labor maintains an uncompromising agitation against it.

As the public understands the unfairness of the labor injunction, courts will respond to the new viewpoint. Eventually, some high court justice may bravely announce that the injunction process is only intended to apply where the plaintiff has no other remedy at law and that this writ must never interfere with personal relations.

"RIGHT TO WORK" NOT PROPERTY

Any property right is derived from ownership or right of use.

If the right to work is property, then human labor must be an article, a commodity; that is, some inanimate thing, something that can be bought and sold. This involves more than a mere legal question, but the legal aspect of the question is based upon physical facts, and upon the method of reasoning by which the conclusion is educed.

Among thinking men it has never been held that work is purely manual labor. The work of the hands, however mechanical, involves something of mentality. In all kinds of work the mental and the physical elements are differentials; sometimes the manual predominates, sometimes the mental, but in no kind of work is either wholly absent.

Work, whether termed mental or manual, is the expression of the creative ability of the individual; it is power to create, whether an idea, a law, or a piece of furniture; in all, it is the human attribute.

There is no manner of human labor that is a thing apart from the body and the mind of the human being. Commodities and articles of commerce are the products of human labor exercised upon materials.

There is as great a difference between human labor and articles and commodities as between that wonderful thing we call life and the materials that are neither thought nor vision.

No authority outside of a free man has a right to dictate control over the use of labor power.

But the classification of labor power as property is necessary to the issuance of a writ of injunction to regulate that labor power.—A. F. of L. convention declaration.

PUBLIC PAYS PRICE TO GET "EDUCATED"

New York, July 2.—Since 1919 it has cost this city $212,954.19 to maintain Ivy Lee as publicity agent for the Interborough Rapid Transit Company.

An investigation by the Transit Commission reveals that most of this money was spent on propaganda for increased fares.

Mr. Lee's salary ranged from $6,000 to $25,000 a year. Other expenses were connected with his work as "publicity adviser."

Mr. Lee first came into prominence during the 1913 strike of coal miners against the Colorado Coal and Iron Company. He was publicity agent for the Pennsylvania Railroad at the time and was "loaned" to the Rockefeller corporation to mold a public opinion against the miners.

Pamphlets were prepared in Lee's office in Philadelphia, signed by officials of the Colorado company and then shipped in bulk to Denver where they were mailed to public officials, editors, clergymen, school teachers and professional and business men whose names appeared on Mr. Lee's carefully prepared mailing lists.

An investigation by the United States Commission on Industrial Relations showed that the bulletins contained many false statements. Salaries paid to officials of the United States Steel Corporation for the year ending November, 1913, were displayed as salaries for the nine weeks ending in June.

Colorado was flooded with these pamphlets as part of a "union educational campaign."

PRIMARY LAW UPHELD; OLD SYSTEM SCORED

Washington, July 2.—A defense of the direct primary and an attack on Vice President Dawes' proposal that the convention system be re-established are made by former United States Senator Owen in a public statement.

"The convention system has been discredited and abandoned in almost every State in the Union," said Senator Owen. "It would seem obvious to almost any student of theoretical or practical politics that Mr. Dawes' remedy is far worse than the disease he contemplates. Our course lies forward, not backward.

"After experimenting with the convention system for more than three-quarters of a century, the American people rejected it for the simple reason that it offered too great opportunity for the political rascals to whom Mr. Dawes has referred in his article to ply their trade.

"Our experience with the direct primary is relatively short and we must not forget that the major part of this experience has been had under the tremendous excitement and disturbance of a World War and its aftermath, which drew men's attention from domestic affairs.

"The judgment of the people upon the convention method was rendered after three generations of experience. They found the system had been corrupted by intrigue and bribery; that by buying votes, by trading votes, by promising offices and future advantages, and by other secret and devious methods, an organized and unscrupulous few could easily and cheaply circumvent the unorganized and frequently unsuspecting convention delegates, with the result that the general public was cheated out of its right to select representatives who would serve the common welfare."

RATES CAN'T BE BASED ON INFLATED VALUES

Boston, July 2.—The State Public Utilities Commission has again ruled that public utility corporations cannot arbitrarily raise values of their property as an excuse for increasing rates.

Companies inflate values by including possible earnings or what is known as "the going value."

The latest decision was made in the case of the Worcester Electric Light Company, which has an actual investment by stockholders of approximately $4,000,000. The local tax assessment is $4,500,000, and the company placed a value of $6,600,000 on the property in its petition to the Commission. Yet the company claimed it was entitled to a fair return on a valuation of $17,500,000 on the ground that this would be the reproduction cost today and should include the "going value."

The commission rejected the claim and ruled that the company is only entitled to a fair return on money actually invested.

The Massachusetts decision differs from Federal courts, which have invariably held that public utilities are entitled to a return based on reproducing the property and an allowance for "the going value."

COMPANY SHUTS OFF WATER FROM MINERS

Pittsburgh, July 2.—Blocked by court procedure in an effort to oust union miners from company houses, the Pittsburgh Terminal Coal Corporation has cut off the water supply of several company towns.

Horace F. Baker, president of the company, said this action will "merely" force the miners to carry water a quarter of a mile, more or less. Commenting on the claim that the company's action may cause an epidemic, Baker said: "Let the miners boil the water."

The corporation has stopped the delivery of goods to mining towns in an effort to drive union miners out of company houses. The miners have a test case before the State Supreme Court. A decision will not be made for several months.

The company recently abrogated its agreement with the United Mine Workers and is attempting to operate on the anti-union basis.

TEAPOT DOME WITNESS HAS PASSPORT LIFTED

Washington, July 2.—The government has revoked Harry M. Blackmer's passport. He is former chairman of the Mid-West Refining Company and left the United States when cited as a witness by the government in the trial of former Secretary of the Interior Fall and Harry F. Sinclair on charges of defrauding the United States Government in the Teapot Dome oil lease.

With the loss of his passport, Blackmer is deprived of protection that is thrown around American travelers in foreign countries. He cannot depend upon the State Department or any representative in the foreign service to aid him in crossing European boundaries.

If Blackmer returns to this country he is liable to a fine of $100,000, under a law passed by the last Congress. Blackmer and James E. O'Neil, former president of the Prairie Oil Company, fled to France about the time of the Teapot Dome trial at Cheyenne and have been there ever since, so far as known. All attempts to get them back to this country have failed. They cannot be extradited, as their offense is not criminal.

WAGE SLASH LOOMS IN NON-UNION FIELD

Charleston, W. Va., July 2.—Another wage reduction is probable in the non-union coal fields of Southern West Virginia.

Present rates are 50 per cent lower than in the union fields. The coal owners claim wages must be lowered to equalize costs since the Interstate Commerce Commission has taken from them the preferential freight rate of 20 cents a ton to lake ports.

The coal owners are confident that their special police, paper-deputy papers and injunction judges can defeat their employes' attempt to affiliate with the United Mine Workers.

STREET CAR MAGNATE TRIES TO BE FUNNY

Toledo, Ohio, July 2.—General Manager Johnson of the local street car company is attempting to be funny.

Street car employes want wage increases and ask that the arbitration clause of their contract be enforced. Mr. Johnson declines. He fears the arbitrators will decide against the men. These judges, he says, may even reduce wages. The unionists declare that the manager must abandon his cheap comedy.

CARMEN'S NEW HOME

Kansas City, Mo., July 2.—The Brotherhood of Carmen here have moved into their new four-story brick and term cotta building, which has been arranged for this organization that totals more than 200,000 members.

The structure is modern in every sense, and is "somewhat of a change," according to Secretary-Treasurer F. Ryan, from the days back in Iowa when one small room and a desk were sufficient to handle the business and house the records.

EXTRA LABOR IN OREGON

Salem, Ore., July 2.—There is a surplus of labor in this State, the Seasonal Employment Commission reports. The number of unskilled workers is especially large, and demands for employes in the fruit section are easily filled.

PHOTO ENGRAVERS OUT

Portland, Ore., July 2.—Photo engravers employed on three daily newspapers suspended work to enforce a new wage scale. The newspapers are the Oregonian, Journal and Telegram.

PRISON LABOR BILL LOST

Springfield, Ill., July 2.—The House of Representatives rejected a bill that provides for the labeling of prison-made goods.

RAIL WORKERS LOSE HIGHER WAGE DEMAND

Chicago, July 2.—An arbitration board has denied wage increases to conductors and trainmen on 55 Western railroads. Yardmen are advanced 7½ per cent. All asked for an average increase of $1 a day.

The board operated under the new Federal railway act. Both parties appointed representatives as arbitrators and the Federal Railway Mediation Board named neutral members.

The workers' representatives contended that the wage board of 1926 was influenced by the railroads' claim that increases were out of the question because of agricultural depression. The railroads took a different position when they recently petitioned the Interstate Commerce Commission for freight increases. The decision that then western workers will be paid 7½ per cent less than eastern workers doing the same class of work.

The decision follows a defeat by locomotive firemen in the southeastern territory who asked for wage increases. In that case Vice President Goff of the firemen, who represented these workers, said that an uninformed public opinion affects the judgment of arbitrators.

In the western wage movement, employes' associations aided the railroads in developing a public opinion against wage increases.

That Mr. Goff was unexpected to the railroads is shown by the financial policy of many of the railroads. Since last March they have been charging to operating expenses allowances for the anticipated wage increases. These will not be credited to earnings and divided among stockholders.

RABBIS PLAN FIGHT FOR SOCIAL JUSTICE

Cape May, N. J., July 2.—Vigorous opposition to social injustice in every form was planned by the Central Conference of American Rabbis in session here.

"We feel that the time has come for our conference to face the serious and pressing problems of its obligation in the field of social justice," read the commission's report. "It is our conviction that the conference has contented itself with too limited a program of activities in this direction, and, furthermore, that these activities have been of too general and theoretical a character. It is high time that we engaged more comprehensively our large and solemn obligation in this field of labor in the light of the ever-growing industrialization of modern life; of the spread of imperialism; of the rise of the tides of race color, and of the undiminished dangers from militarism."

"PICTURE" SALARIES REDUCED 10 PER CENT

New York, July 2.—The Paramount-Famous-Lasky Corporation, moving picture producers, announce a salary reduction of 10 to 25 per cent. The cut will affect the high-priced stars and actors who receive $50 a week or more.

The motion picture branch of the Actors' Equity Association, affiliated to the A. F. of L., opposes the reduction.

Unionized motion picture actors do not include stars. They are associated with the "Academy of Motion Picture Arts and Sciences," a company "union."

The Paramount Corporation claims expenses must be lowered. During the last year the assets of the corporation sold $30,000,000 new stock. Present income can not meet these additional charges.

OPPOSE CHILD LABOR BILL

Springfield, Ill., July 2.—The House of Representatives defeated a bill that would compel children under 16 years of age to pass the eighth grade in school before they could receive a work certificate.

CULINARY WORKERS GAIN

Sacramento, Cal., July 2.—Restaurant managers are signing the new agreement of organized culinary workers.

JANITORS TALK UNITY

Vancouver, B. C., July 2.—A 12-hour day and seven days a week is too much for janitors of apartments in this city and they are discussing trade unionism.

NATIONAL WAR WHOOP IS IGNORED IN STRIKE

Vancouver, B. C., July 2.—Anti-union interests have abandoned their cry "Canada for Canadians" and are importing strikebreakers from the United States to defeat the Plumbers' Union.

"Patriotic" city officials are aiding the employers by permitting evasions of city building ordinances and the plumbers' license law. A rigid enforcement of the latter, would debar strikebreakers.

Trade unionists who are affiliated to the American Federation of Labor through their international unions are calling attention to the insincerity of employers who advise workers to abandon American trade unions and to have no direct relations with the country to the south.

TOO MANY IMMIGRANTS IN CANADIAN CITIES

Edmonton, Alberta, Canada, July 2.—The Trades and Labor Council has protested to the Dominion Minister of Immigration against dumping Central European immigrants into Alberta cities.

The immigrants came here with the understanding that the railroad unions are part of two railroads would place them on farm work. Investigations show that the new arrivals are not qualified for this work and that many of them cannot speak English. They are herded in municipalities of the prairie provinces, are a tax on communities and a menace to living standards of other unskilled workers.

TRADE UNIONS TO MEET

Parkersburg, W. Va., July 2.—Officers of the West Virginia Federation of Labor have issued the call for the annual convention to be held in this city beginning Monday, August 22.

SERVICE WORKERS UNITE

Kansas City, Mo., July 2.—Building service employes in this city have organized and united with the trade union movement.

$1,000,000 INCOMES RISE FROM 75 TO 207

Washington, July 2.—The Internal Revenue Bureau reports that there were 207 persons in this country who paid taxes in 1925 on an income of $1,000,000 or more.

In the previous year there were but 75 persons in the million-dollar class.

These large incomes and the fact that the gross income earned by corporations in 1925 reached the huge total of $115,-992,063,216, feature the latest statistics.

APARTMENTS IN SLUMS EXEMPT FROM TAXATION

New York, July 2.—Mayor Walker has signed a bill which exempts for 20 years taxation on tenement buildings constructed under the terms of the State Housing Law as substitutes for existing dilapidated structures.

The bill is part of the move to eliminate slums. It is believed that capital will be invested in these new buildings and lower rentals assured if taxes are removed.

The Real Estate Board appealed to Mayor Walker to reject the bill on the ground that taxes of other property will be increased.

NEW EDUCATION BUREAU

Washington, July 2.—The United States Bureau of Education announces the appointment of a specialist in teacher training. This is the first time the bureau has undertaken a systematic study of the training of teachers in normal schools, colleges and universities.

LIGHTING BILL KILLED

Springfield, Ill., July 2.—It will not be necessary for railroads to install adequate lighting systems on their freight yards. A bill to this effect failed to pass the House of Representatives.

PEACE COUNCIL USED TO AID NON-UNIONISTS

London, England, July 2.—The government has launched another attack on trade unionism by providing that Whitley councils shall be set up in government dock yards for non-union workers.

Whitley councils are named after Mr. James H. Whitley, chairman of a government commission on industries during the World War. These councils were set up to provide machinery to deal with matters that would arise (subject to definite rules) concerning wages and conditions. The councils were intended to be supplemental to trade unionism. They have jurisdiction over single shops or plants.

The government claims that non-unionists are demanding their own councils, and has notified these workers that such arrangements can be made.

Trade unionists believe the plan is an attempt to establish non-union councils as spokesman for all workers in these plants.

WORKERS' HOMES SOLD; LOW WAGES ONE CAUSE

Philadelphia, July 2.—Low wages is a factor in the sale of only 2,065 of homes in this city that are sold under mortgage foreclosure, according to H. E. Barnes, secretary of the Wharton School of Business Administration.

Glib salesmen dispose of homes on small margins. Many purchasers are unable to meet the carrying charges. These forced sales have grown in number from 1,000 in 1920 to 2,065 in 1925 and more than 4,000 in 1926.

"The trend of home building in all the larger cities," said Mr. Barnes, "is toward apartment houses. Of all the families provided with new living accommodations in 1925, 24 per cent were in apartment houses and 58 in single residences. In our larger cities almost one-half of the new housing under construction are apartments."

DEFEAT COMPENSATION

Tallahassee, July 2.—The Florida Legislature adjourned without taking action on a workmen's compensation bill urged by organized labor. The bill was opposed by the turpentine, lumber and phosphate interests and the Employers' Association.

"Organized labor will continue to urge this measure, as workmen's compensation is somewhat new to the citrene South," said J. M. Adkins, president of the Florida State Federation of Labor.